



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 19-914

Board Meeting Date: 9/24/2019

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Scott Gilman, Director, Behavioral Health and Recovery Services

**Subject:** Agreement with Horizon Services, Inc. for Residential Substance Use Disorder Detoxification Services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Horizon Services, Inc. for residential substance use disorder detoxification services for the term of July 1, 2019 through June 30, 2021, in an amount not to exceed \$3,615,633.

**BACKGROUND:**

For over 35 years, Palm Avenue Detox, a program of Horizon Services, Inc. (Horizon), has been serving residents of San Mateo County. Horizon assists clients in connecting to ongoing substance use disorder treatment programs, primary and psychiatric care, housing, and other health-related services.

In April 2016, the California Department of Health Care Services (DHCS) and the Federal Government approved the Drug Medi-Cal Organized Delivery System (DMC-ODS) waiver for substance use disorder treatment services. On July 1, 2019, Horizon began providing services under the DMC-ODS waiver, allowing Horizon and other providers to bill for many more services than they were previously able.

**DISCUSSION:**

Through the DMC-ODS waiver, Horizon shall provide expanded detoxification, stabilization, and assessment for clients who have a co-occurring substance use and mental health disorders, by providing extended assessment and linkages to medication assisted treatment and other identified substance use services to support recovery. Horizon operates the only licensed non-medical residential detoxification facility in San Mateo County.

DHCS continues to require changes in service delivery and reporting requirements of substance use disorder treatment services through the DMC-ODS waiver. Due to these changes, BHRS is

requesting your Board to waive the Request for Proposals (RFP) process for substance use disorder treatment services for two years, allowing BHRS time to finalize the implementation of DMC-ODS waiver-related changes to this and all other BHRS substance use related contracts. In early 2020, BHRS will release an RFP for substance use disorder treatment services to start on July 1, 2021.

The resolution contains the County’s standard provisions allowing amendment of the County’s fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Counsel as to form. The agreement is on the Continuing Resolution.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing individuals and families in San Mateo County with residential detoxification and stabilization services, as well as other needed substance use services to support recovery. Successful discharge occurs when a program participant completes detoxification services and is in transition to the next appropriate level of care. Research shows that the longer participants are retained in an appropriate level of treatment, the more likely they are to achieve long-term recovery. A participant’s willingness to continue in treatment is a key element to successful stabilization and progress towards sustained recovery. It is anticipated that 90% of clients will achieve a successful detoxification discharge.

**PERFORMANCE MEASURE:**

Measure	FY 2018-19	FY 2019-20
Percentage of program participants that achieve a successful detoxification discharge	90% 800 participants	90% 800 participants

**FISCAL IMPACT:**

The term of the agreement is July 1, 2019 through June 30, 2021. The amount of the agreement is not to exceed \$3,615,633 for the two-year term. Of this amount, \$1,772,369 is included in the BHRS FY 2019-20 Approved Recommended Budget. Medi-Cal will fund \$872,856, the Substance Abuse Prevention and Treatment Block Grant will fund \$290,215, 2011 Realignment will fund \$261,460, third party uninsured will fund \$75,837, and Net County Cost will fund \$272,001. The payment provisions and levels of service remain the same as those of the prior agreement.